

MEMO TO: THE GOVERNOR
FROM: BUDDY BYNUM
RE: STORIES ON KATRINA CONTRACTS
OCTOBER 11, 2005

There has been a good deal of misinformation regarding debris clean-up contracts since The New York Times first published a story on Sept. 26, 2005. That story attempted to draw, at best, very sketchy ties between you and AshBritt, of Pompano Beach, FL. This is how the story began:

Headline: Storm and Crisis: Rebuilding, Many Contracts for Storm Work Raise Questions

“Topping the federal government's list of costs related to Hurricane Katrina is the \$568 million in contracts for debris removal landed by a Florida company with ties to Mississippi's Republican governor.”

The “ties” are “explained” in the 10th and 34th paragraphs of a 42-paragraph story. In the 10th paragraph, AshBritt is described as a “company that was a client of the former lobbying firm of Gov. Haley Barbour of Mississippi.” In the 34th paragraph, it is reported, “According to Senate filings, AshBritt paid about \$40,000 in the first half of 2005 to Barbour, Griffith & Rogers, the Washington lobbying firm co-founded by Governor Barbour of Mississippi, who is also a former chairman of the Republican National Committee.”

The day after original publication, The Times published a correction that said, “A front-page article yesterday reported on the awarding of billions of dollars in federal contracts to help rebuild the Gulf Coast after Hurricane Katrina. The article said many contracts had been awarded without bidding or with limited competition, and it cited two major contractors whose political connections have already raised questions among government officials about the potential for favoritism or abuse.

In naming these contractors -- the Shaw Group and Kellogg, Brown & Root, a subsidiary of Halliburton -- the article noted that they have been represented by the lobbyist Joe M. Allbaugh, President Bush's former campaign manager and a former leader of the Federal Emergency Management Agency.

The article should have carried a response from Mr. Allbaugh, or restated a position he expressed in an earlier article in The Times: that he does not help any of his clients secure federal contracts, and has not done so in this case for Shaw or Kellogg.”

It is beyond belief that The Times reporters did not know this when they wrote the original story; of course, to acknowledge it would have negated their entire approach and what was presented as a page one story would not have been a story at all.

As I see it, you have a similar situation. Since The Times’ story, your so-called “connections” with AshBritt have been picked up by the Associated Press in a national story last week, without attribution to the original source. I think it’s fair to say we, working with Loren Monroe, have been able to keep it off CNN and out of the Los Angeles Times and Boston Globe only to have it surface through Bill Minor’s column in the Northeast Mississippi Daily Journal and Clarion-Ledger.

Bill is read by his liberal friends and ignored by most. Still, as of today, the inaccurate information he parrots from others remains out there. This is one of those cases where I think we need to get the facts in print, so in the future we can pull them out if we have to.

Here is what Bill Minor wrote:

“First reported by The New York Times, and substantiated by a report to a special Katrina state legislative committee, was that a Florida-based company with political ties to Mississippi Gov. Haley Barbour had been given a \$568 million no-bid contract by FEMA for debris removal. The company, AshBrit Environmental, as The Times first reported, has been a client of the potent Washington lobbying firm Barbour headed until he ran for Mississippi's governorship in 2003.

AshBrit, according to the Times, paid \$40,000 in the first half of 2004 to Barbour, Griffith and Rogers, the Mississippi governor's old lobbying firm, which he had founded after leaving the chairmanship of the Republican National Committee.”

Bill made a number of errors, including misquoting the story as to the year AshBritt paid (became a client of) BGR, and misspelling the name of the company, small errors that contribute to the big lie.

I'm thinking of writing a letter to the editor, in my name, along these lines:

(Suggested headline) If Bill Minor had bothered to ask ...

Dear Editor:

I could have told my friend Bill Minor, had he bothered to ask, that Gov. Haley Barbour played no role in the award of a contract by the U.S. Army Corps of Engineers to AshBritt of Pompano Beach, FL. Having done my own independent research, I could have told Bill that the contract was awarded in August 2002, at a time when Haley Barbour was still associated with the Washington, D.C., lobbying firm he founded, Barbour, Griffith and Rogers. But, AshBritt didn't become a client of the lobbying firm until March 2005, more than a year after Haley Barbour, newly elected Governor of Mississippi, had resigned from the firm on Jan. 12, 2004. Bill even misquoted The New York Times when he wrote that AshBritt paid \$40,000 in the first half of 2004 to the lobbying firm; the Times' Sept. 26, 2005, story said AshBritt paid the lobbying firm about \$40,000 in the first half of 2005. A year makes a big difference: The Governor wasn't in the firm when AshBritt became a client, and AshBritt wasn't a client when it got the contract.

Here is the timeline, and the facts surrounding AshBritt, its contract with the Army Corps of Engineers, and its relationship with the Washington, D.C., lobbying firm:

- 1) 2001 - Army Corps of Engineers solicits responses to a request for proposal for Disaster Response and Management Services;**
- 2) August 2002 – Corps of Engineers awards contract to AshBritt;**
- 3) Jan. 12, 2004 - Haley Barbour resigns from Barbour, Griffith and Rogers (BGR);**
- 4) Jan. 13, 2004 – Haley Barbour is sworn-in as Governor of Mississippi;**
- 5) March 1, 2005 - BGR retained by AshBritt for federal government relations;**

6) Aug. 29, 2005 - Hurricane Katrina strikes Mississippi, Louisiana and Alabama;

7) September 2005 - AshBritt's contract with the Army Corps of Engineers is activated and company begins debris removal work in Mississippi under the terms of its contract.

So, now having the advantage of these facts, which show that Gov. Haley Barbour had nothing to do with the U.S. government's award of a competitive contract to this Florida company in 2002, I wonder if Bill still believes, as he wrote in a column published Sunday by The Clarion-Ledger and last week by the Northeast Mississippi Daily Journal and other newspapers: "Even here in Mississippi, cronyism reared its ugly face in the multi-million dollar Katrina debris cleanup in the hard-hit Mississippi Gulf Coast and South Mississippi area."

"Cronyism?" Armed with the facts, I don't see how Bill, or anyone else who may have read his column, could believe Gov. Barbour had anything to do with the award of this contract. Bill is welcome to his opinions, but the facts speak for themselves.

/s/

What do you think?

Send the letter _____